

Finance Report, Financial Year 2018/19

April 2018

Executive Summary

Financial Year End 2017/18

The Year-end Accounts are currently being finalised. We have experienced no major issues and expect a clean audit report. The Commissioner is expected to sign off the accounts in early July to be laid before Parliament on 12 July. We have reported a finalised position within our '1% of expenditure' set by DCMS and will not be handing back any additional funds outside the collected CMPs to the consolidated fund for 2017/18.

Fee Income 2018/19

Income for 2017/18 was finalised at 8% uplift from the previous year which gives a reasonable amount of comfort that we can expect an uplift of at least 6% for 2018/19 as projected in our starting budget forecast. We expect income to be circa £34.3m under the new fee income model which represents a 6% increase in the number of fee payers from 2017/18. Income has been profiled in a similar trajectory than in previous years, however this may well change as a result of GDPR compelling businesses to pay a fee that previously have not or as awareness grows. We have already recorded income of £1.9m in the first month of the year, £200k or 12% greater than expected. There is some backlog of organisations that have registered pre 25 May which should increase income further; this will need to be carefully monitored to make sure we can provide a robust forecast ongoing.

Other Income

It has now been confirmed that we will be receiving £500k Grant in Aid under NIS for the next 2 years whilst a funding model is established. This will be reflected on the next Management Budget Report.

Expenditure

Although there is little insight we can give after only 1 month of expenditure, we continue to work and review our forecasts as the landscape continues to change rapidly whilst GDPR beds in. It is likely that the budget will change in this period as previous assumptions and risks (known and unknown) become clearer.

Financial Overview as at 30 April

MANAGEMENT REPORT

For the One Month Ending 30
April 2018

	Budget £	Actual £	Year To Date Variance £	Var % %	Full Year Forecast £	Prior Year 2017/18 £
GRANT IN AID	312,500	312,500	0	-	3,750,000	3,750,000
eIDAS	0	0	0	-	46,000	45,000
DP FEE INCOME	1,695,719	1,901,101	-205,382	(12.1%)	34,281,725	21,299,977
IPA INCOME	0	0	0	-	400,000	330,000
BANK INTEREST	0	-265	265	-	0	286
TOTAL INCOME	2,008,219	2,213,335	205,116	(10.2%)	38,477,725	25,425,262
OFFICE COSTS	138,923	132,530	6,393	4.6%	1,960,375	1,413,566
STAFF COSTS	1,747,369	1,751,966	-4,597	(0.3%)	25,191,233	18,526,219
TRAINING AND RECRUITMENT	138,858	49,160	89,698	64.6%	1,171,292	679,949
IT COSTS	200,000	223,649	-23,649	(11.8%)	2,400,000	2,831,212
PROJECT SPEND	128,333	102,672	25,661	20.0%	940,000	1,218,303
COMMUNICATIONS	120,333	168,573	-48,240	(40.1%)	714,000	319,704
FINANCIAL COSTS	8,958	20,388	-11,429	(127.6%)	107,500	111,934
TRAVEL LEGAL, PROFESSIONAL & OTHER	54,708	49,555	5,153	9.4%	656,500	597,017
TOTAL COSTS	2,781,657	2,862,666	-81,009	(2.9%)	34,698,039	26,805,728
CAPITAL SPEND	0	0	0	-	650,000	747,322
OPERATING SURPLUS	-773,438	-649,331	124,107	16.0%	3,129,686	-2,127,789
GIA PROGRAMME 1819 ADVANCE	-140,000	-140,000	0	-	-1,400,000	1,400,000
SURPLUS	-913,438	-789,331	124,107	13.6%	1,729,686	-727,789

Cash flow remains robust.

DP Fee Income (attached graphical representation)

Month	Budget (£000)	Actual (£000)	Variance (£000)	%
April	1,700	1,901	205	12%
May	1,980			
June	2,850			
July	2,830			
August	2,830			
September	3,140			
October	3,260			
November	3,150			
December	2,100			
January	3,660			
February	3,250			
March	3,530			
£ Year	34,280	1,901	205	12%

The number of registrations has steadily increased from 513,687 at the end of March to 526,669 at the end of April, an increase of 12,982 or 2.5%. The biggest growth has been in the land and property services, retail and travel sectors. Further indepth analysis into why this is will be conducted over the coming months and will help to horizon scan how we expect the landscape to change under the new fee model.

Civil Monetary Penalties (CMPs)

Below is the summary of those debts we still consider recoverable from the previous year plus new penalties issued to March 2018.

Gross debts B/fwd from 2017-18	2,343,445
Issued penalties gross	532,800
Issued prompt payment discount	(2,400)
Irrecoverable debts written off	-
Net	2,873,845
Receipts*	91,022
Balance	2,782,823

*Of this sum, £91,022 is due to be paid to the consolidated fund in July 2018.

Spending controls

The ICO is complying with the Cabinet Office Spending Controls Guidance v 4.0

<https://www.gov.uk/government/publications/cabinet-office-controls/cabinet-office-controls-guidance-version-40>

**Heather Dove
May 2018**

MANAGEMENT REPORT

For the One Month Ending 30 April 2018

	Year To Date				Full Year	Prior Year
	Budget	Actual	Variance	Var %	Forecast	2017/18
	£	£	£	%	£	£
GRANT IN AID	312,500	312,500	0	-	3,750,000	3,750,000
eIDAS	0	0	0	-	46,000	45,000
DP FEE INCOME	1,695,719	1,901,101	-205,382	(12.1%)	34,281,725	21,299,977
IPA INCOME	0	0	0	-	400,000	330,000
BANK INTEREST	0	-265	265	-	0	286
TOTAL INCOME	2,008,219	2,213,335	-205,116	(10.2%)	38,477,725	25,425,262
RENT	49,933	51,291	-1,358	(2.7%)	753,000	517,144
RATES & BUILDING INSURANCE	24,687	25,033	-346	(1.4%)	296,250	285,122
SERVICE CHARGES	6,250	8,995	-2,745	(43.9%)	75,000	54,125
CAR PARKING	600	1,965	-1,365	(227.5%)	7,200	23,165
HEAT & LIGHT	9,750	10,940	-1,190	(12.2%)	117,000	106,285
WATER	2,250	1,600	650	28.9%	27,000	14,692
CLEANING	7,708	6,898	810	10.5%	92,500	85,226
SECURITY	4,708	5,362	-653	(13.9%)	56,500	62,921
WASTE	379	401	-22	(5.7%)	4,550	4,834
REPAIRS & MAINTENANCE	6,667	6,903	-236	(3.5%)	80,000	64,558
KITCHEN	3,135	2,857	278	8.9%	37,625	31,726
REMOVALS	0	0	0	-	0	379
FURNITURE	5,000	-2,820	7,820	156.4%	60,000	228,617
GENERAL EQUIPMENT	1,000	557	443	44.3%	12,000	5,038
STATIONERY	6,213	2,598	3,614	58.2%	74,550	82,231
POSTAGE	5,133	5,922	-789	(15.4%)	61,600	54,827
DOCUMENT DESTRUCTION	508	548	-39	(7.8%)	6,100	5,750
OTHER	5,000	3,480	1,520	30.4%	249,500	6,932
OFFICE COSTS CAPITALISED	0	0	0	-	-50,000	-220,005
TOTAL OFFICE COSTS	138,923	132,530	6,393	4.6%	1,960,375	1,413,566

MANAGEMENT REPORT

For the One Month Ending 30 April 2018

	Year To Date				Full Year	Prior Year
	Budget	Actual	Variance	Var %	Forecast	2017/18
	£	£	£	%	£	£
SALARIES	1,321,321	1,307,177	14,144	1.1%	20,243,109	13,621,744
OVERTIME	24,500	27,170	-2,670	(10.9%)	266,000	176,064
PENSION	253,618	253,620	-2	(0.0%)	3,043,416	2,731,825
NATIONAL INSURANCE	131,351	131,349	2	0.0%	1,571,760	1,327,693
AGENCY STAFF	0	16,091	-16,091	-	0	507,926
INWARD SECONDMENT	12,000	11,980	20	0.2%	12,000	108,884
NON EXEC BOARD MEMBER	4,579	4,580	-1	(0.0%)	54,948	52,083
TOTAL STAFF COSTS	1,747,369	1,751,966	-4,597	(0.3%)	25,191,233	18,526,219
RECRUITMENT	63,333	11,370	51,963	82.0%	760,000	288,209
RELOCATION EXPENSES	0	0	0	-	0	4,459
HEALTH & SAFETY	45,000	5,504	39,496	87.8%	45,000	60,464
APPRENTICESHIP LEVY	6,348	5,466	883	13.9%	76,178	52,959
FURTHER EDUCATION	0	0	0	-	0	2,445
ALL STAFF SKILLS DEVELOPMENT	10,010	17,954	-7,944	(79.4%)	120,114	178,311
SEMINARS AND CONFERENCES	14,167	1,302	12,865	90.8%	170,000	16,602
MANAGEMENT DEVELOPMENT	0	1,208	-1,208	-	0	48,416
CSL E LEARNING	0	0	0	-	0	720
CSL WORKSHOPS	0	0	0	-	0	12,498
PROFESSIONAL QUALIFICATIONS	0	0	0	-	0	13,397
INFORMATION TECHNOLOGY	0	6,357	-6,357	-	0	1,469
TOTAL TRAINING AND RECRUITMENT	138,858	49,160	89,698	64.6%	1,171,292	679,949

MANAGEMENT REPORT

For the One Month Ending 30 April 2018

	Year To Date				Full Year	Prior Year
	Budget	Actual	Variance	Var %	Forecast	2017/18
	£	£	£	%	£	£
HOSTING, WEB AND TELEPHONY	41,667	52,472	-10,805	(25.9%)	500,000	576,487
APP & DESKTOP SUPPORT	38,333	52,231	-13,898	(36.3%)	460,000	687,112
SOFTWARE LICENSING	41,667	59,582	-17,916	(43.0%)	500,000	571,564
SECURITY CONTRACT	4,167	5,116	-950	(22.8%)	50,000	21,857
NOTIFICATION PRINTING	20,000	20,000	0	-	240,000	240,332
MANAGED PRINT	4,167	2,762	1,405	33.7%	50,000	47,360
CARD PROCESSING CHARGES	14,167	7,871	6,296	44.4%	170,000	110,069
HARDWARE MAINTENANCE	6,667	5,112	1,555	23.3%	80,000	96,045
GOV SECURE INTERNET	10,833	0	10,833	100.0%	130,000	176,495
TELEPHONY CALLS & BROADBAND	18,333	18,503	-170	(0.9%)	220,000	303,891
TOTAL IT COSTS	200,000	223,649	-23,649	(11.8%)	2,400,000	2,831,212
ICE CRM DEVELOPMENT	0	42,050	-42,050	-	0	464,215
FINANCE SYSTEM	0	0	0	-	0	11,455
DOCUMENT STORAGE SOLUTION	0	25,049	-25,049	-	0	151,119
INFRASTRUCTURE	128,333	13,328	115,006	89.6%	1,540,000	749,574
HARDWARE & SOFTWARE UPGRADES	0	8,824	-8,824	-	0	226,073
PRE-PROJECT INVESTIGATIONS	0	0	0	-	0	14,582
NPS RESOURCE	0	21,957	-21,957	-	0	6,574
OTHER PROJECT WORK	0	-8,535	8,535	-	0	122,028
PROJECT WORK CAPITALISED	0	0	0	-	-600,000	-527,318
TOTAL PROJECT SPEND	128,333	102,672	25,661	20.0%	940,000	1,218,303

MANAGEMENT REPORT

For the One Month Ending 30 April 2018

	Year To Date				Full Year	Prior Year
	Budget	Actual	Variance	Var %	Forecast	2017/18
	£	£	£	%	£	£
CAMPAIGNS, MEDIA RELATIONS & PR	25,417	1,406	24,010	94.5%	305,000	90,342
MARKETING CONSORTIUM INCOME	0	0	0	-	0	-42,401
MEDIA MONITORING	6,667	9,940	-3,273	(49.1%)	80,000	21,472
DESIGN & PRINT	5,000	23,962	-18,962	(379.2%)	60,000	46,482
DISTRIBUTION	2,500	2,500	0	-	30,000	38,938
SURVEYS	5,000	480	4,520	90.4%	60,000	41,672
CONFERENCES GENERAL	120,000	182,868	-62,868	(52.4%)	160,000	134,825
CONFERENCE INCOME	-50,000	-51,970	1,970	(3.9%)	-50,000	-41,164
ICON DEVELOPMENT	417	0	417	100.0%	5,000	0
STAFF EVENTS	3,083	0	3,083	100.0%	37,000	2,544
WEB MAINTENANCE	2,250	-613	2,863	127.2%	27,000	26,995
TOTAL COMMUNICATIONS	120,333	168,573	-48,240	(40.1%)	714,000	319,704
BANK CHARGES	3,125	292	2,833	90.6%	37,500	38,917
EXTERNAL AUDIT	2,750	2,708	42	1.5%	33,000	30,000
INTERNAL AUDIT	3,083	17,387	-14,304	(463.9%)	37,000	42,087
BAD DEBT WRITE OFF	0	0	0	-	0	930
TOTAL FINANCIAL COSTS	8,958	20,388	-11,429	(127.6%)	107,500	111,934
CAR HIRE	917	560	356	38.9%	11,000	5,927
EPCS CARD REBATE	0	0	0	-	0	-1,406
TRAVEL HOSTING	0	0	0	-	0	5,099
TRAVEL UK	38,625	43,783	-5,158	(13.4%)	463,500	468,428
TRAVEL OVERSEAS	17,250	5,211	12,039	69.8%	207,000	141,713
TRAVEL INCOME - UK	-667	0	-667	100.0%	-8,000	-1,690
TRAVEL INCOME - OVERSEAS	-1,417	0	-1,417	100.0%	-17,000	-21,055
TOTAL TRAVEL	54,708	49,555	5,153	9.4%	656,500	597,017

MANAGEMENT REPORT

For the One Month Ending 30 April 2018

	Year To Date				Full Year	Prior Year
	Budget	Actual	Variance	Var %	Forecast	2017/18
	£	£	£	%	£	£
LEGAL	51,500	84,605	-33,105	(64.3%)	618,000	665,844
LEGAL COSTS RECOVERED	-2,083	0	-2,083	100.0%	-25,000	-101,305
LIBRARY & SUBSCRIPTIONS	5,778	8,437	-2,658	(46.0%)	64,140	64,844
PROFESSIONAL MEMBERSHIPS	0	1,851	-1,851	-	14,250	15,174
RESEARCH	26,396	0	26,396	100.0%	316,750	17,640
RESEARCH GRANTS FUND	125,000	181,964	-56,964	(45.6%)	250,000	65,581
NIS DIRECTIVE	8,333	0	8,333	100.0%	100,000	0
PROFESSIONAL SERVICES	17,250	93,772	-76,522	(443.6%)	207,000	368,413
STAFF RECOGNITION	12,000	-6,454	18,454	153.8%	12,000	11,634
TOTAL LEGAL, PROFESSIONAL & OTHER	244,174	364,174	-120,000	(49.1%)	1,557,140	1,107,825
TOTAL COSTS	2,781,657	2,862,666	-81,009	(2.9%)	34,698,039	26,805,728
CAPITAL SPEND	0	0	0	-	650,000	747,322
OPERATING SURPLUS	-773,438	-649,331	-124,107	16.0%	3,129,686	-2,127,789
GIA PROGRAMME 1819 ADVANCE	-140,000	-140,000	0	-	-1,400,000	1,400,000
SURPLUS	-913,438	-789,331	-124,107	13.6%	1,729,686	-727,789

MANAGEMENT REPORT

For the One Month Ending 30 April 2018

	Year To Date				Full Year	Prior Year
	Budget	Actual	Variance	Var %	Forecast	2017/18
	£	£	£	%	£	£
FTE Staff Analysis						
Permanent Staff Band A	0.0	7.5	(7.5)	0.0	0.0	7.5
Permanent Staff Band B	0.0	26.5	(26.5)	0.0	0.0	29.3
Permanent Staff Band C	0.0	107.6	(107.6)	0.0	0.0	106.9
Permanent Staff Band D	0.0	151.6	(151.6)	0.0	0.0	152.8
Permanent Staff Band E	0.0	124.8	(124.8)	0.0	0.0	118.3
Permanent Staff Band F	0.0	60.3	(60.3)	0.0	0.0	57.1
Permanent Staff Band G	0.0	17.4	(17.4)	0.0	0.0	16.8
Permanent Staff Band H	0.0	4.0	(4.0)	0.0	0.0	4.0
Agency Staff Band B	0.0	5.0	(5.0)	0.0	0.0	6.0
Agency Staff Band C	0.0	1.0	(1.0)	0.0	0.0	1.0
Agency Staff Band D	0.0	2.0	(2.0)	0.0	0.0	2.0
Total FTE staff	0.0	507.8	(507.8)	0.0	0.0	501.7

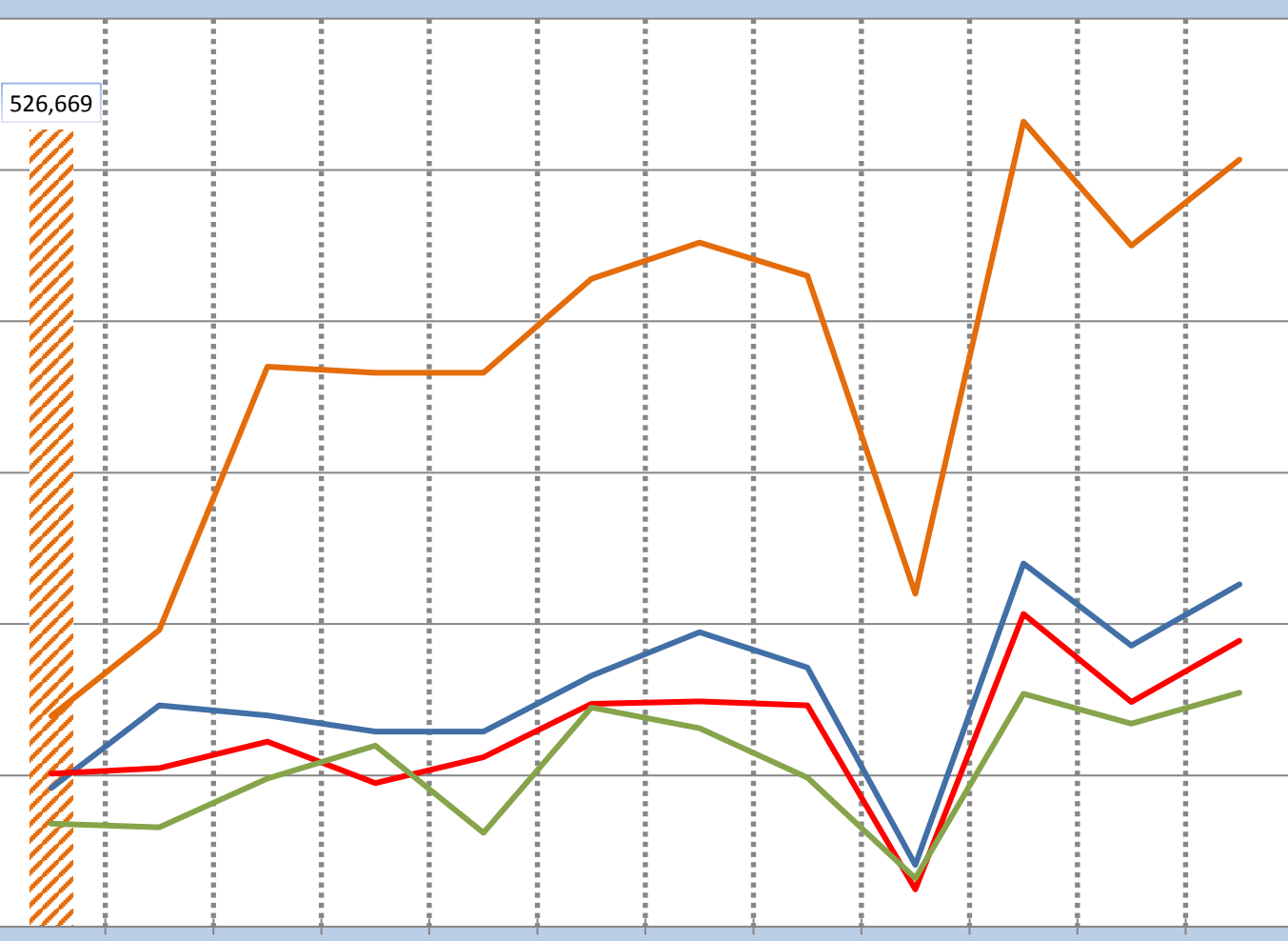
Fee Income 2018/19

Fee income (£000)

Registration

4,000
3,500
3,000
2,500
2,000
1,500
1,000

600,000
500,000
400,000
300,000
200,000
100,000
0



April

Month

- Number of Registrations on public Register
- 2017-18 ACTUAL
- 2016-17 ACTUAL
- 2015-16 ACTUAL

INFORMATION COMMISSIONERS OFFICE

For the Twelve Months Ending 31 March 2019

	Actual Apr-18 £ (000)	Forecast May-18 £ (000)	Forecast Jun-18 £ (000)	Forecast Jul-18 £ (000)	Forecast Aug-18 £ (000)	Forecast Sep-18 £ (000)	Forecast Oct-18 £ (000)	Forecast Nov-18 £ (000)	Forecast Dec-18 £ (000)	Forecast Jan-19 £ (000)	Forecast Feb-19 £ (000)	Forecast Mar-19 £ (000)
Cash flows from operating activities												
Net Expenditure												
DP FEE INCOME	-1,901	-1,961	-2,832	-2,812	-2,816	-3,117	-3,241	-3,135	-2,081	-3,643	-3,236	-3,507
DRIPA INCOME	0	0	-100	0	0	-100	0	0	-100	0	0	-100
OFFICE COSTS	133	140	140	156	156	156	156	156	156	156	156	348
STAFF COSTS	1,752	1,731	1,731	1,735	1,731	1,731	1,735	1,731	1,731	1,735	1,731	6,114
TRAINING AND RECRUITMENT	49	102	102	102	102	102	102	102	102	102	102	102
IT COSTS	224	198	198	198	198	198	198	198	198	198	198	198
PROJECT SPEND	103	131	131	131	131	131	131	131	131	131	131	-519
COMMUNICATIONS	169	-131	52	52	92	12	52	52	52	52	52	212
FINANCIAL COSTS	21	8	8	8	8	8	8	8	8	8	8	8
TRAVEL	50	55	55	55	55	55	55	55	55	55	55	55
LEGAL, PROFESSIONAL & OTHER	364	96	96	98	97	96	103	96	221	97	96	97
Net expenditure total	962	368	-420	-277	-245	-728	-701	-606	474	-1,109	-707	3,007
Decrease in trade and other receivables	226	-35	637	-853	176	1,048	-1,341	43	21	-2,525	1,296	-709
Increase in trade payables	-43	-1,063	-589	2,374	-75	-1,463	463	-374	-45	3,635	-1,915	100
Use of provisions	0	0	0	0	0	0	0	0	0	0	0	0
Net cash outflow from operating activities	1,145	-730	-372	1,243	-144	-1,143	-1,579	-937	450	1	-1,326	2,398
Cash flows from investing activities												
Capital Spend	0	0	0	0	0	0	0	0	0	0	0	650
Profit/Loss on Disposal of Fixed Assets	0	0	0	0	0	0	0	0	0	0	0	0
Net cash outflow from investing activities	0	0	0	0	0	0	0	0	0	0	0	650
Cash flows from financing activities												
Grant in Aid	-313	-313	-313	-313	-313	-313	-313	-313	-359	-313	-313	-313
Grant in Aid Programme in Advance	140			140	140	140	140	140	140	140	140	140
Net cash flows from financing activities	-173	-313	-313	-173	-173	-173	-173	-173	-219	-173	-173	-173
Net increase/(decrease) in cash and cash equivalents in the year												
Net increase/(decrease) in cash	973	-1,042	-684	1,071	-317	-1,315	-1,751	-1,109	231	-172	-1,499	2,875
Cash & equivalents- start of period	2,923	1,950	2,992	3,676	2,605	2,922	4,237	5,989	7,098	6,867	7,039	8,538
Cash & equivalents- end of period	1,950	2,992	3,676	2,605	2,922	4,237	5,989	7,098	6,867	7,039	8,538	5,662